

## Register results

The following regulations or standards have been issued by Federal agencies. They have all previously been summarized in CONSUMER REGISTER as proposals. The extent of consumer content is reported when such information is available.

- On April 7, Agriculture Dept. revised its standards for grades of "canned grapefruit & orange for salad." Agriculture received 13 comments on the proposal, including 10 from consumers. Four consumers basically supported the revision; one wanted mandatory grade labeling; one was frustrated by not being able to tell from the picture on the label what the contents were like; & 4 said drained weight & percentage of whole fruit segments should not be changed. Details—*Federal Register*: April 8, page 15896. CONSUMER REGISTER: Jan. 1 & 15.

- Effective March 3, 1976, Food & Drug Administration (FDA will require all labels ordered for cosmetics to carry ingredient labeling. As originally reported, labeling was scheduled to go into effect earlier, but FDA received objections & requests for hearings. Provisions for color additives being listed by name & provisions for labeling small cosmetic packages have been delayed. Details—*Federal Register*: March 3, pages 8918 & 8924; Oct. 17, 1973. CONSUMER NEWS: Nov. 15, 1973. CONSUMER REGISTER: Nov. 1, 1973.

- Beginning March 3, 1976, FDA is requiring all labels ordered for feminine deodorant sprays to carry special warnings for use. In addition, FDA says manufacturers may not describe these products as "hygienic" or otherwise medically useful. FDA received 146 comments from consumers, consumer & professional groups, industry, trade associations & government agencies. Details—*Federal Register*: March 3, Page 8926; June 21, 1973, page 16236. CONSUMER REGISTER: July 15, 1973.

- FDA has extended the effective date of its amendment to the standard of identity for french dressing. The new effective date for labeling french dressing is June 30, 1975. Amendment permits the optional use of color additives—instead of the traditional paprika—to french dressing. Details—*Federal Register*: April 28, page 18425; Nov. 8, 1974; page 39554; Aug. 21, 1973, page 22490. CONSUMER REGISTER: Dec. 1, 1974; Sept. 15, 1973.

## Unfair credit practices

Consumers & others have until at least June 10 to comment on Federal Trade Commission's (FTC) proposed rule to protect consumers from unreasonable collection practices when they borrow money or make installment purchases.

The proposal deals with such problems as (1) lengths to which creditors may go in order to collect a debt & (2) problems co-signers have when the principal debtor (borrower) defaults. (Many consumers co-sign a credit agreement without knowing what their liability is.)

Proposed rule would:

- Prohibit or restrict use of wage assignments.
- Prohibit creditor from making collection calls to borrower's employer.
- Limit the interest rate that a creditor can charge for late payments.
- Assert that if creditor repossesses & sells the borrower's property, he would have to deduct its real value from what is still owed. (FTC says creditors sometimes resell repossessed property for an unreasonably low price.)
- Prohibit creditors from seizing household goods if those goods were not purchased with the loan. (FTC says that, at present, many loan contracts contain provisions allowing creditors to do this. For example, if a consumer borrows money for a medical bill, his own furniture possibly can be seized.)
- Limit the amount of attorneys' fees charged for collecting the debt.
- Require creditor to give a loan co-signer a statement of liability & then wait for a 3-day "cooling-off" period before loan becomes effective. (Some co-signers think "co-signing" means little more than vouching for

someone's good character.)

- Require creditor to furnish co-signer with copies of all transactions received by consumer getting the loan.

FTC is particularly interested in hearing from consumers on matters such as (1) whether consumers have a meaningful opportunity to bargain with creditors on what collection methods should be included in credit contracts; (2) whether consumers are hurt by practices covered by the proposed rule; (3) whether creditors would be able to collect if practices were prohibited; (4) effect of proposed rule on the cost & availability of credit; (5) other credit practices which the proposed rule should cover.

Details—*Federal Register*: April 11, page 16347. CONSUMER NEWS: April 15; Jan. 15, 1973. Send comments to Assistant Director for Rulemaking, Box 1, Federal Trade Commission, Washington, DC 20580. For additional information, call 202-962-4495.

## Telephone withdrawals

On April 7, Board of Governors of the Federal Reserve System (Fed) decided to permit its member banks (Federally chartered banks) to allow depositors to withdraw money from their savings accounts by telephone. Fed's rule against such withdrawals has been in effect since 1936 & was based on concern for member bank security as well as concern that "unrestricted telephone access to savings accounts might lead depositors to treat such accounts as extensions of their checking accounts & destroy the distinction between the accounts."

Other banks—such as nonmember (state chartered) commercial banks—savings & loan associations have been permitting telephone withdrawal services.

Details—*Federal Register*: April 15, page 16831.

[NOTE: On April 7, Federal Deposit Insurance Corporation (FDIC) reaffirmed its existing policy of permitting insured nonmember banks to allow their depositors to withdraw money from savings accounts by telephone.]

## Aerosols

Beginning March 3, 1976, Food & Drug Administration (FDA) is requiring that all labels ordered for self-pressurized food, drug & cosmetic products carry warning statements as to use.

The basic warning statement reads: "Warning—Avoid spraying in eyes. Contents under pressure. Do not puncture or incinerate. Do not store at temperature above 120 degrees F. (49 degrees Celsius)."

If the product contains halocarbon or hydrocarbon propellants, the following additional warnings must be on the label: "Warning—Use only as directed. Intentional misuse by deliberately concentrating & inhaling the contents can be harmful or fatal."

[NOTE: See CONSUMER NEWS' summary of aerosols in general: Jan. 15.] Details—*Federal Register*: March 3, page 8912.

## Foam-filled tires

National Highway Traffic Safety Administration (NHTSA) has decided to withdraw its proposal of November 1972 requesting comments on possible requirements for passenger car & truck tires filled with foam.

NHTSA said that since the tires are safe ("they can be shot full of bullet holes without blowing out") & since they have limited use, no requirements should be imposed on their use at this time.

These tires, which wear indefinitely & do not blow out, are used on such vehicles as ambulances, riot trucks, armored cars, high lift cranes & small trucks driven inside shops. However, they do get hot. Tests have shown that trucks & cars having foam-filled tires can be driven a maximum of 35 miles (56.3 kilometers) per hour at continuous highway speeds or at 60 miles (96.5 kilometers) per hour for 2 hours. If the tires get too hot, the spongy, plastic-type material becomes unglued.

Details—*Federal Register*: April 15, page 16854; Nov. 23, 1972, page 24908.

## Prescription drugs

June 6 is deadline for comments on Food & Drug Administration's (FDA) proposal to improve labeling of prescription drugs.

Most prescription drugs would be affected by the proposed requirements which include:

- Clarification of information & warnings contained in "package inserts" with prescription drug packages.
- Requirement for a special "Precautions" section in package inserts for drugs for pregnant women.
- Labeling that would contain essential scientific information needed for safe & effective use of the drug.

This information could not be considered "promotional."

• Labeling that would have to be based, whenever possible, on information derived from human experience. If information is derived from animal data, it would have to be identified as such.

Labeling would usually contain this information:

- Description
- Clinical Pharmacology (Information concerning actions of the drug in man)
- Indications & Usage
- Contraindications (Situations when the drug should not be used because risks might outweigh benefits)
- Warnings
- Precautions
- Adverse Reactions
- Overdosage
- Dosage & Administration
- How Supplied

Details—*Federal Register*: April 7, page 15392. Send comments to Hearing Clerk, Food & Drug Administration, 5600 Fishers Lane, Rockville, MD 20852.

## Chemical formulas (continued)

May 1 CONSUMER REGISTER reported that Consumer Product Safety Commission (CPSC) had ordered manufacturers of certain household products to tell CPSC what goes into their products. In the meantime, however, the commission has withdrawn this order pending further clearance by General Accounting Office (GAO) of the commission's questionnaire to manufacturers.

Details—*Federal Register*: May 6, page 19677; April 14, page 16713. CONSUMER REGISTER: May 1.

## Household movers

June 2 is deadline for comments on Interstate Commerce Commission's (ICC) proposal to require carriers of household goods to assume responsibility for loss of or damage to all items they transport.

Most household goods movers tell consumers they will not be liable for loss or damage to specific items (such as cash, jewelry, stamp & coin collections) & to articles of "extraordinary or unusual value" (such as a fragile antique vase) when those items are not specifically listed on the bill of lading (receipt issued by a mover listing goods shipped).

ICC has received many complaints from consumers who say their movers disclaimed responsibility for lost & damaged goods by claiming those items were extraordinarily valuable & were not declared as such by the consumer when the bill of lading was signed. The Interstate Commerce Act says, for all practical purposes, that a moving company is liable for loss or damage to any property transported by it & that no contract exempts the mover from that liability. (A mover may, of course, refuse to ship any improperly packed items, & ICC is not proposing to make any changes in this area.)

Details—*Federal Register*: April 16, page 17044. Send comments to Office of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

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## For you

These forms are for you to use, if you wish, in commenting on any Federal agency proposal summarized in CONSUMER REGISTER. Of course, if you cannot get your comments on the front & back of a form, feel free to continue your comments on additional paper.

Send comment forms to addresses listed in the summaries.

CONSUMER NEWS is publishing these forms in cooperation with Food & Drug Administration (FDA).

## Rate Register

### Planes

• On May 5, Trans World Airlines (TWA) filed with Civil Aeronautics Board (CAB) for a 5% increase in all domestic air fares effective July 1. At the same time it petitioned for a \$184.1 million Federal subsidy (about 88¢ from each American) for its domestic operation—the first major airline to ask for a domestic subsidy in many years. Last year TWA & Pan American World Airways asked for subsidies, still pending, for their international operations.

Last year's 4% air fare boost for all airlines—that took effect last November—is due to expire June 30. TWA—as well as Eastern Airlines & United Airlines—has asked that this fare be renewed. TWA's proposed 5% increase would be added to the 4% increase.

Consumers may comment on this proposed increase by writing—as soon as possible—to Civil Aeronautics Board, Universal Building, Washington, DC 20428.

• On April 30, Civil Aeronautics Board (CAB) approved United Airlines' request to apply bicentennial fare discounts between Chicago & 6 eastern cities that have an American Revolution bicentennial attraction. CAB had previously approved bicentennial discounts of 25% in non-peak seasons & 20% during the summer between cities more than 750 (1207 kilometers) miles apart. New fares become effective today.

• April 29 was effective date for a newly-adjusted rate schedule of domestic fares (excluding Alas-

Clip this form, fill in blanks, write your comments & mail to agency noted in CONSUMER REGISTER item.

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ka, Hawaii & U.S. territories), based on airlines' costs for length of travelers' trips. Last year, Civil Aeronautics Board (CAB) ordered the revision of the entire domestic fare system along more cost-oriented lines. CAB said short flights generally cost airlines more than long flights, & the new fares reflect this difference. For example, the fare between Washington & New York has gone up from \$30 to \$33, while the Washington to Los Angeles fare dropped from \$184 to \$173.

In addition, CAB said first class fares should be raised over the next 2 years. These fares usually cost about 130% of coach fares, but the cost of providing first class service runs as much as 163% of coach service. Failure to establish first class fares on a cost basis means the coach passenger subsidizes first class service. Therefore, beginning April 29, first class fare between Washington & New York increased from \$40 to \$45, & between Washington & Los Angeles the first class rate went up from \$239 to \$244.

### Trains

■ On May 2, Interstate Commerce Commission (ICC) voted to permit the nation's railroads to file schedules for 2 more rounds of freight rate increases. ICC had already granted the railroads a 7% increase. The increase did not apply to certain items, such as materials used in depressed industries. If ICC does not take action, the first round of increases of 5% will take effect June 6, & the second increase of 2.5% will take effect Oct. 1. The railroads said high labor costs made the increases necessary [RATE REGISTER: May 1; April 1; March 1]. ICC invites consumers & others to comment by May 28 on the first increase & by Sept. 5 on the second increase. Send comments to Secretary, Interstate Commerce Commission, Washington, DC 20423.

### Mail

● On May 1, Postal Service (PS) proposed improving service on first class mail to the point that the service would be as good as present air mail service. Proposed new standards would become effective Aug. 1 & could have the effect of eliminating the need for air mail stamps. PS has not applied for an increase in postal rates, but there is speculation that PS will ask for a rate increase later that would raise first class postage rates to 13 cents an ounce (31 grams)—the present air mail rate. Consumers may wish to comment on this proposal by writing to Manager, Mail Classification Division, Postal Service, Washington, DC 20260.



